

AGENDA MEMO

CITY COUNCIL MEETING DATE: SEPTEMBER 19, 2007

DEPARTMENT: BUSINESS DEVELOPMENT

ITEM DESCRIPTION: DISCUSSION AND POSSIBLE ACTION ON THE AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY AND THE URBAN CHAMBER OF COMMERCE

- a. On March 17, 2004, Council approved the Disposition and Development Agreement between the City and the Urban Chamber of Commerce ("Original Agreement") for the disposition of a site in the Las Vegas Enterprise Park ("Site") to develop a Multi-use Business Incubator and Services Center ("Project") that will facilitate economic development by creating additional jobs and other positive economic impacts in the surrounding community.
- b. Subsequent to the Original Agreement, on June 15 and November 9, 2005, Council approved the First Amendment to the Original Agreement ("First Amendment") and the Second Amendment to the Original Agreement ("Second Amendment") (respectively). The First Amendment was done to amend the rights and obligations of the City and the Developer, in particular the schedule of performance. The Second Amendment was done to amend the legal description of the Site. (the Original Agreement, the First Amendment and the Second Amendment are collectively referred to as the "Initial Agreement")
- c. On July 22, 2004, the Developer secured a \$2 million commitment from the U.S. Department of Commerce, Economic Development Administration ("EDA") to fund construction of the Project.
- d. On July 1, 2005, the Developer met all of the conditions precedent to the closing of escrow and the Site was conveyed by the City to the Developer.
- e. To date, the Developer has reached the following Project milestones: 1) Received approval of a Site Development Plan; 2) Received approval of a technical drainage study; and, 3) Received a commitment from Bank of Nevada to be a Project tenant.
- f. Currently, the Developer is working through the plans check process to secure all necessary building permits and the Project is anticipated to start construction in the first quarter of 2008.
- g. Accordingly, the City and Developer desire to amend and restate the Initial Agreement to establish new construction deadlines, as well as, a new Schedule of Performance for the Project through the Amended and Restated Disposition and Development Agreement.